GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:4451
ANSWERED ON:25.04.2005
SEEDS UNDER VALUE ADDED TAX
Jagannath Dr. M.

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government proposes to bring seeds under the purview of the Value Added Tax (VAT)

(b) if so, whether the Government has assessed the impact of this move on the farming community;

(c) if so, the details thereof;

(d) whether the States have requested the Union Government for exemption of seeds from the ambit of VAT; and

(e) if so, the action taken/proposed to be taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI KANTILAL BHURIA):

(a) No, Sir.

(b) and (c) Question do not arise.

(d) Only Government of Andhra Pradesh have requested the Union Government in exempt seeds from Value Added Tax (VAT).

(e) The matter was taken up with the Empowered Committee of State Finance Ministers and the Empowered Committee of State Finance Ministers in its meeting held on 7th March 2005 have decided to exempt seeds from Value Added Tax (VAT).